

## MEMORANDUM FOR DISTRIBUTION

FROM: HELEN SHERMAN, DIRECTOR  
OFFICE OF FINANCE AND  
ACCOUNTING POLICY

SUBJECT: Standard General Ledger Accounting Changes

Implementation of the Standard General Ledger (SGL) in the Department's financial systems remains on the critical path to successfully implement the new STARS financial management system. Data currently within the Departmental Integrated Standardized Core Accounting System (DISCAS) and the Management Analysis Reporting System (MARS) is maintained in a balance sheet code (BSC) format and is translated to SGL using a crosswalk in MARS. The SGL team issued a guidance memorandum on August 13, 2002 which required changes to both existing systems as well as to Integrated Contractor data submissions. As the Department moves closer to the implementation of STARS, additional changes and modifications of accounting data are required. The SGL team is also tasked with reviewing the current SGL crosswalk, ensuring the Department is using SGL as intended, keeping the existing accounting and reporting systems (DISCAS and MARS) crosswalks in sync, and assisting in the orderly transition to the new system.

The SGL team has developed additional requirements and changes to data submissions which are identified in Attachment A. These requirements will impact both Integrated Contractor and field office data. Please note that some of these changes modify previous guidance detailed in the August 13, 2002 memorandum. Requirements 1 and 4 should be implemented immediately. Requirement 5 will require changes to dual year processing and should be implemented at that time. The remaining requirements should be implemented beginning October 1, 2003. Opening balance adjustments should be made with the December 2003 data submission due in January 2004.

The change from BSC to SGL will require everyone to make major adjustments to their recording and reporting of the Department's financial data. There will be additional changes to requirements issued as the STARS project moves closer to final implementation. We will make every attempt to keep you informed of all changes impacting your systems and the Integrated Contractors. Your patience and input is appreciated during this time of transition.

If you have any questions regarding these changes, please contact Lauren Rippeon at (301) 903-3634.

Attachment

Distribution:

Field CFO's

MARS Contacts

DISCAS Contacts

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## REQUIRED ACCOUNTING CHANGES

### **Changes 1-3 apply to both field offices and integrated contractors.**

1. Amounts currently recorded in BSC 1454 (Suspense Receivables) and the offset to the entry recorded in BSC 4211 should be moved to non fund and recorded in BSC 112Q and 333Q (Treasury Appropriation 89F3885). Appropriate SF-224 (Statement of Transactions) entries should be made to reflect this change. All future charges that are made to Departmental appropriations that cannot be immediately identified should be recorded in the 112Q and 333Q accounts in fund type 54. Any future amounts that are recorded in BSC 1454 must be zeroed out by month end. Please note that this is a change to our November 14<sup>th</sup>, 2002 "Guidance on Suspense Accounts" memorandum. This change is effective immediately and should be completed with your August data submitted in September.
2. Fund type 51, all records must contain a Source-Doc Field. This is a change from our August 13<sup>th</sup> memorandum which required a B&R on all fund type 51 records. Beginning in FY 2004 all fund type 51 records must have a Source-Doc prefix of USE followed by the 2 position fund type which funded the project, etc. An example would be, all records recorded in fund type 51 associated with a building purchased by fund type TC would contain a source-doc of USETC. This will facilitate a smooth conversion to the new STARS fund codes. The Source-Doc field will be used to crosswalk back to the appropriate fund type for financial statement reporting. The requirement to record B&R's on all FT 51 records is rescinded. B&R's recorded on fund type 51 records as part of the August 13, 2002 requirements may be retained or deleted. Requirements for account codes 231X, 813X, 9951, and 9952 currently recorded with a B&R remain unchanged.

Opening balance adjustments will be required to add the Source-Doc detail to all SCC OB accounts. All property, plant, inventory and equipment OB's should be assigned the Source-Doc value based on the B&R's reported in the FY03 data. Adjustments may be required to ensure the Source-Doc numbers balance by Fund Type.

New edits will be established that ensure that all records contain a Source-Doc and that all Source-Doc net to zero within reporting organization.

3. All Fund Type 54 records will now be required to have a source-doc field detailing the related treasury appropriation or assigned to a predominate fund

type. For example when a collection is made in fund type 54 currently, BSC 4546 has a source-doc of TRF89F3875 but the associated revenue (BSC 8134, 8135) is not associated with this treasury account. Offices and contractors will now be required to provide the related Treasury receipt/suspense account on all Fund Type 54 transactions except DCA and environmental liability entries. The requirement for DCA and environmental liability entries remains unchanged. This will allow the cross walking of any opening balances in Fund Type 54 to the appropriate fund code in STARS. To ensure consistency in the STARS load program every account in Fund Type 54 must have a source-doc code tying back to a Treasury appropriation and these source-doc numbers must net to zero within the fund-type and reporting organization.

Changes 4 and 5 do not apply to integrated contractors. Some of these changes will be handled by additional information hard coded in the standard map codes. Opening balance adjustments may require manual entries.

4. Currently when fund type recasts occur a source-doc field of NET followed by the appropriation is required on BSC accounts 4211, 6XXX, 1110, 4110 and 4130 (please note that the last three accounts are recorded by the Office of Financial Control and Reporting). The new requirement is to record a source-doc of NEI followed by the appropriation where the transfer is being issued to (for outgoing recasts) and a source-doc of NER followed by the appropriation from which the transfer was received (for incoming recasts). An example is a fund type recast from fund type TC to TE. The impacted records in fund type TC would have a source-doc of NEI89X0242 while the incoming records in fund type TE would have a source-doc of NER89X0240. As in the past, a Summary Class Code of "RE" should be used on the records being recast. This requirement is effective immediately however existing records recorded prior to the date of this memo do not have to be changed. The Source-Doc recorded on these records will not be retained in closing.
5. Beginning in FY 2004 B&R's will be required on all payment transactions. Currently programming changes are underway in DISCAS and MARS to require B&R's on all payments. The existing BSC codes 600X will be split in two. There will now be a 648X account for uncoded unpaid obligations and a 649X account for coded unpaid obligations. Standard Map Codes will be modified to incorporate these new accounts and an asterisk will be added to all payment maps to require a B&R. These changes will be completed and incorporated with the beginning of dual year processing. Closing programs will be modified to split the existing 600X account into the two new accounts. FY 2004 opening balances will not contain B&R's on the unpaid (649X) accounts and B&R's must be added by the field sites. The integrated contractor payment split process will be modified to add B&R's to the contractors payments based on their costs incurred. At this time contractors will not be required to add B&R to their payments, however this may become a contractor requirement when they go to SGL at the transaction level.

